ARIZONA DEPARTMENT OF WATER RESOURCES, 3550 NORTH CENTRAL AVENUE, PHOENIX, AZ 85012-2105

ANNUAL WATER WITHDRAWAL AND USE REPORT

GROUNDWATER SUMMARY 2011

OWNER OF GROUNDWATER RIGHT

30436 N SIERRA VISTA DR

BT DIRT HOLDINGS LLC ATTN: HOWARD NICHOLS TYPE OF RIGHT

IRRIGATION USE

RIGHT / PERMIT NO.

58-105190.0003

QUEEN CREEK, AZ 85142-9113

REPORTING PARTY

58-105190.0003 BT DIRT HOLDINGS LLC ATTN: HOWARD NICHOLS 30436 N SIERRA VISTA DR

QUEEN CREEK, AZ 85142-9113

ARIZONA DEPARTMENT OF WATER RESOURCES

FEB 09 2012

PHOENIX OCATION:

ALLOTMENT:

(602) 771-8585 22 3.0S 8.0E

511.01 AF ACRES: 113.80

If any of the information pre-printed on this report is incorrect, please make the necessary changes.

| PART I GROUNDWATER WITHDRAWN IN-LIEU Delivered by 57-25// From Box 14 Schedule A or Schedule A-GSF attached Complete this section only if you operate a non-exempt well. 17-5, 93 \$ 3.00 \$ 98.28 (out of the section of the section) ACRE-FEET X Withdrawal Fee = Portion | PART IV TOTAL WATER USED BY THIS RIGHT Calculate as follows: Part I + Part III - Part II 17-5.73 ACRE - FEET PART V LATE FEES Complete if filing after March 31. Note: A portion of a month after March 31 is counted as a full month. |
|---|---|
| PART II WATER DELIVERED TO OTHER RIGHTS From Box 24 Schedule D attached ACRE - FEET PART III WATER RECEIVED FROM OTHER SOURCES | 1) Enter number of months late (Maximum of 6) 2) Calculate Late Report Fee (\$25.00 X number of months late) 3) Calculate Late Payment Fee (10 % X number of months late X withdrawal) |
| Total from Schedule,E attached ACRE - FEET | fee calculated in Part I above) PART VI TOTAL FEES DUE Add amounts from Parts I and V \$ 98.28 |

Mail or hand deliver this report, together with the appropriate schedules, worksheets and fees to the Arizona Department of Water Resources. If mailed, the report must be postmarked no later than March 31, 2012. If hand delivered, the report must be received by the Department's Annual Reports & Planning Section no later than 5:00 PM on March 31, 2012.

REPORTS FILED AFTER MARCH 31, 2012 ARE SUBJECT TO LATE FEES (A.R.S. § 45-632) AND PAYMENT OF PREVIOUSLY WAIVED MONETARY PENALTIES ASSOCIATED WITH PRIOR GROUNDWATER CODE VIOLATIONS.

I hereby certify, under penalty of perjury, that the information contained in this report is, to the best of my knowledge and belief, true, correct and complete.

AUTHORIZED SIGNATURE

DWNER

SHERWOOD WAYNE

480-962-

PRINTED NAME TELEPHONE NUMBE

NOTE: THIS REPORT MUST BE FILED EVEN IF NO WATER WAS USED PURSUANT TO THIS RIGHT.

AGSE

E W1

SCHEDULE A-GSF

REPORT OF GROUNDWATER WITHDRAWALS AND IN-LIEU WATER RECEIVED

ANNUAL REPORT 2011

Note: Pumpage for each well must be shown on the attached worksheet. Information for up to four wells may be shown on each worksheet.

OWNER/OPERATOR

BT DIRT HOLDINGS LLC

1 RIGHT/PERMIT/BMP Farm Unit NO.

58-105190.0003

| PART I GROUNDWATER WITHDRAWN | THDRAWN | 1 | | | | | | | | | | |
|---|-------------------------------|------------------|----------|------------|----------------------------------|-----------------|--------|--------------------------|-----------|-----------------------------------|--------|--------|
| DWR WELL | 3 Depth to Static Water Level | Water Level | 4 | | RECOVER | RECOVERED WATER | | PUMPE | WATER REC | PUMPED WATER RECEIVED IN EXCHANGE | CHANGE | 13 |
| REGISTRATION NO. | (Designated Floviders Chiry) | viders chiry) | Ground- | | 2 | MPED | | | | | 0.00 | |
| 10 40 160 LOCATION Date #1 | #1 Msmt#1 | Well Running? | water | 2 | | 7 EFF/I | 8 EFF/ | <u></u> | 皀 | Ξ | 12 | Total |
| Q Q SEC TWN RNG Date #2 | #2 Msmt#2 | | Pumped | CAP | SW | z | TUO | GW | CAP | SW | EFF | Pumped |
| 55-615290 | | | 27.76 | | | | | | | | | |
| SE SE NE 22 3.0S 8.0E | | | 27.70 | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| TOTAL GROUNDWATER WITHDRAWN (acre-feet) | | | 32.76 | | | | | | | | | |
| PART 11 1 N-LIEU GROUNDWATER RECEIVED | WATER REC | EI VED; | | 40 | ۱ | ı | ı | | | | | |
| 15 WATER STORAGE PERMIT NUMBER | BER | | 16 WATER | STORAGE PE | WATER STORAGE PERMIT HOLDER NAME | NAME | 17 | 17 QUANTITY | | | | |
| | | | | | | | | RECEIVED IN ACRE-FEET | | | | |
| 57-534888.0604 | 4090 | | Resolv | +1on | Resolution Copper Mining | r Mini | Ž | t1.841 | -1 | | | |

ADD TOTAL ACRE-FEET OF GROUNDWATER WITHDRAWN AND IN-LIEU WATER RECEIVED. ENTER IN PART I OF SUMMARY PAGE,

145.17

19 TOTAL OF
BOX 14
AND 18

18 TOTAL IN-LIEU

SCHEDULE E Part A -- All Users

Do not include any water sent directly to a storage facility on a municipal provider's behalf in Part A. Report water sent directly to storage facility on Part B.

| | | | | | | | | | Owner | | |
|---|--|--------------------------|---------------|---|--------------------------------|--------------|---|----------------|--|------------------------------|-------------------|
| WATER RECEIVED FROM OTHER SOURCES | OTHER SOUR | CES | | | | | | BT | BT DIRT HOLDINGS LLC | INGS LLC | |
| | | | | | | | | RIGHT/ | RIGHT/PERMIT/BMP Farm Unit NO. | Farm Unit N | Ö |
| ANNUAL REPORT | T 2011 | | | | | | | | 58-105190.0003 | .0003 | |
| Part I Water Received from Primary Irrigation D | from Primary I | rrigation | | stricts / Municipal Providers | viders | | | 3 | | | |
| Irrigation District /Provider Number 57-002511.0000 | lumber 57-0025 | 511.0000 | | | | Your | Your District User/ Account Number | / Account | Number | | |
| Provider/District | Provider/District Name NEW MAGMA IRR & | AGMA IRR | & DRG DIST | | Number | of acres eli | Number of acres eligible to receive surface water | eive surfac | e water | 113.8 | |
| Water Storage Permit | Measurement | | | | Acre | -feet Receiv | Acre-feet Received by Water Type | r Type | | | |
| if applicable (enter 73-xxxxxx.xxxx) | Method | Ground | ndwater | In-lieu Groundwater | Decreed/ Appropri- ative | Normal | Spillwater | CAP | Other | (Describe Other water) | Total Received |
| | | | | | | | | | | | |
| Part I Total A | Part I Total Acre-feet Received | 27 | 9/4 | 143.17 | | | | | | | 175.93 |
| Part II Water Received or Diverted from Sources | or Diverted fro | m Source | | Other Than Irrigation Districts / Municipal Providers | Districts / Mo | unicipal Pr | oviders | | | | |
| Right / Permit Number | Measurement | ij | | | Acre-feet | t Received t | Acre-feet Received by Water Type | eq. | | | |
| Supplying Water | Method | | Groun | Groundwater | Decreed/ Appropri- | Normal | Spillwater | CAP | Other | (Describe Other | Total Received |
| | | 5 | | | ative | | | | | water) | |
| 58-107200.0000 | | | | | | | | | | | |
| | | | | | | | | | | | |
| Part II Total | Part II Total Acre-feet Received | PS | | | | | | | | | |
| PART III - Water Received Pursuant to a Permitte | d Pursuant to | a Permitt | | d or Enrolled Exchange Agreement | e Agreement | | | | | | |
| Exchange No. Meas | - nt | Exchange | | Payback for | | | Acre-feet Re | ceived in E | Acre-feet Received in Exchange by Water Type | Water Type | |
| | Method ou servi | outside service area? | Quantity | Туре | Year Givon | GW | SRP | CAP | Effluent | Other SW | Total Received |
| 67- | | | | | | | | | 16 | | |
| - 29 | | | | | | | | | | | |
| -29 | | | | | | | | | | | |
| | | Part III | III Total Acr | Total Acre-feet Received in Exchange | in Exchange | | | | | | |
| | | Sch. | h. E Part A T | E Part A Total acre-feet of Water Received or Diverted from Other Sources (Part + Part II + Part III) | Water Receive | d or Diverte | d from Other | Sources (P | art I + Part I | I + Part III) | |
| | | | | | | Ente | er Total on P | art III of the | Summary Pa | ige Part III | |

WORKSHEET W-1 2011

GROUNDWATER RIGHT/PERMIT/ BMP Farm Unit NO.

58-105190.0003

| 1 | DWR WELL REGISTRATION NO. | 10 40 160 LOCATION O O O Sec Two Rog | DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP? | | | | |
|-----|----------------------------------|--|---|--|--|--|--|
| | 55-615290 | SE SE NE 22 3.0S 8.0E | ENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A | | | | |
| 2 | TYPE OF MEASURING DEVICE | MAKE / MODEL | WATER TOTALIZING METER READINGS 5 INITIAL 6 ENDING 7 DIFFERENCE | | | | |
| | TOTALIZER | UNITS MEASURED | New totalizer 1.871, 904 10.6075 707 est | | | | |
| | | | Installed 10/15/11 IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING | | | | |
| | INSTALLATION OR OVERHAUL DATE | | READING FOR EACH METER IN THE BOXES ABOVE. | | | | |
| 3 | POWER CO. NAME | ACCOUNT NO. POWER METER NO. | 8 ACRE 32.76 9 BREAKDOWN ESTIMATE | | | | |
| _ | SALT RIVER PROJECT | 79 99 00016 3 301572 | Enter total Acre-feet | | | | |
| | | ENERGY CONSUMPTION UNITS | Shown in 10 in Column 13 TOTALIN ACRE-FEET 32.76 of Schedule A | | | | |
| 1 | DWR WELL REGISTRATION NO. | 10 40 160 LOCATION Q Q Q Sec Twn Brig | 4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP? SOF SCHEDULE A | | | | |
| | | | WATER TOTALIZING METER READINGS | | | | |
| 2 | TYPE OF MEASURING DEVICE | MAKE / MODEL | 5 INITIAL 6 ENDING 7 DIFFERENCE | | | | |
| | SIZE | UNITS MEASURED | | | | | |
| | INICTALLATION OF OVERLIABLE DATE | | IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING | | | | |
| | INSTALLATION OR OVERHAUL DATE | | READING FOR EACH METER IN THE BOXES ABOVE. | | | | |
| 3 | POWER CO. NAME | ACCOUNT NO. POWER METER NO. | 8 ACRE 9 BREAKDOWN ESTIMATE | | | | |
| | | ENERGY CONSUMPTION UNITS | Enter total Acre-feet Shown in 10 in Column 13 of Schedule A | | | | |
| 1 | DWR WELL REGISTRATION NO. | 10 40 160 LOCATION Q Q Q Sec Two Rog | DOES ENERGY METER SERVE USES OTHER THAN THE WELL PUMP ? SOF SCHEDULE A | | | | |
| | TYPE OF MEACHBING DEVICE | MAKE / MODEL | WATER TOTALIZING METER READINGS | | | | |
| 2 | TYPE OF MEASURING DEVICE | | 5 INITIAL 6 ENDING 7 DIFFERENCE | | | | |
| | SIZE | UNITS MEASURED | | | | | |
| | INSTALLATION OR OVERHAUL DATE | | IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE. | | | | |
| 3 | POWER CO. NAME | ACCOUNT NO. POWER METER NO. | 8 ACRE 9 BREAKDOWN ESTIMATE | | | | |
| (8) | | ENERGY CONSUMPTION UNITS | Enter total Acre-feet Shown in 10 in Column 13 of Schedule A | | | | |
| 1 | DWR WELL REGISTRATION NO. | 10 40 160 LOCATION Q Q Q Sec Twn Rng | 4 DOES ENERGY METER SERVE USES OTHER THAN THE WELL, PUMP? SENTER "Y" OR "N" IN COLUMN 5 OF SCHEDULE A | | | | |
| 2 | TYPE OF MEASURING DEVICE | MAKE / MODEL | WATER TOTALIZING METER READINGS | | | | |
| 4 | | 77000 T - 20-07FN | 5 INITIAL 6 ENDING 7 DIFFERENCE | | | | |
| | SØE | UNITS MEASURED | | | | | |
| | INSTALLATION OR OVERHAUL DATE | | IF METER WAS REPLACED DURING THE YEAR, INDICATE BEGINNING AND ENDING READING FOR EACH METER IN THE BOXES ABOVE. | | | | |
| 3 | POWER CO. NAME | ACCOUNT NO. POWER METER NO. | 8 ACRE 9 BREAKDOWN ESTIMATE | | | | |
| - 1 | | ENERGY CONSUMPTION UNITS | Enter total Acre-feet Shown in 10 in Column 13 TOTAL IN ACRE-FEET of Schedule A | | | | |

NEW MAGMA IRRIGATION & DRAINAGE DISTRICT

34630 North Schnepf Road, San Tan Valley, AZ 85140 Office (480) 987-3461 Fax (480) 987-0660 February 1, 2011

BT DIRT HOLDINGS LLC ATTN: HOWARD NICHOLS 30436 N SIERRA VISTA DR QUEEN CREEK, AZ 85142 Dear Landowner:

The following information must be reported to the Arizona Department of Water Resources (ADWR) and is being provided to aid you in filing your Annual Water Withdrawal and Use Report with ADWR.

Your GFR# or BMP#

Water Delivered through Turnout(s):

58-105190.0003

C-5

The total amount of water in acre feet delivered to your property in 2011 is as follows:

| In-Lieu/CAGRD 73-534888.0101 | In-Lieu/Gilbert 73-534888.0700 | In-Lieu/AWBA 73-534888.0301 | In-Lieu/RCM | | |
|---------------------------------|-----------------------------------|--------------------------------|----------------|---------|--------|
| 0 | 0 | 73-334666.0301 | 57-534888.0604 | Surface | Total |
| • | U | U | 143.17 | 0 | 143.17 |

The District has agreed to pay, on behalf of the landholder/wateruser, the \$3.00 per acre foot withdrawal fee subject to groundwater usage. Therefore, it is imperative that all In-Lieu water delivered to your property be reported as "In-Lieu groundwater" with the correct permit holder (CAGRD, RCM, GILBERT, or AWBA) on the <u>ID Summary</u> of your Annual Report from ADWR. Also, that the In-Lieu be reported on the <u>Groundwater Summary</u> by writing in "In-Lieu delivered by 57-2511" under the groundwater withdrawn box. This will avoid your having to enclose the withdrawal fee when mailing your report.

New Magma Irrigation & Drainage District is also required to file an Annual Water Withdrawal and Use Report with ADWR on behalf of the District deliveries. So that both the District and Landowner report in the same fashion, we'll need to receive copies of all your ADWR filings.

Thank you in advance for your cooperation and should you have any questions, please call me at (480) 987-3461.

Sincerely,

Table of acronyms:

GFR# - Grandfather Right Number

Bill Meschede

Admin. Assistant

AWBA - Avizona V

AWBA - Arizona Water Banking Authority

GILBERT - Town of Gilbert

RCM - Resolution Copper Mining, LLC

CAGRD - Central Arizona Groundwater

Replenishment District

"To deliver our customers reliable, cost-effective irrigation water"